

EXHIBIT “C”

Memorandum of Understanding

This Memorandum of Understanding, dated as of March 22, 2006, sets forth the basic understanding among Toyota Motor Corporation ("TMC"), General Motors Corporation ("GMC") and New United Motor Manufacturing, Inc. ("NUMMI") (collectively, the "Parties") regarding the production and pricing of new car models to be produced at NUMMI from January 2008 to December 2012 (collectively, the "Products"), to help ensure that all Parties remain viable.

1. Production Volume of the Products:

- (1) The Parties have agreed that the Products consist of Corolla for TMC and Vibe for GMC. The Parties have further agreed that NUMMI will start production of new models of Corolla and Vibe in January 2008 (collectively, the "SOP").
- (2) The Parties understand the importance of realizing annual production volume of 230,000 units of the Products. Both TMC and GMC will make best effort to maximize the production volume during the model life in consideration of maintaining the stability of operations at NUMMI.
- (3) The Parties understand that, assuming that 225,000 units of the Products are scheduled to be produced in a year, the Products will be allocated between TMC and GMC under the following formula, where each of TMC and GMC will have a right to, but not an obligation to, purchase the Products from NUMMI.

TMC Corolla	at least 160,000 (71.11%)
GMC Vibe	at least 65,000 (28.89%)

- (4) TMC recognizes that irrespective of the planned or actual production volume of the Product in 2008, GMC desires to have 72,000 units of Vibe allocated to GMC, under the following reasons:
 - GMC is committing extensive marketing resources to maximize the opportunity for a successful launch of Vibe in order to maximize the targeted volume, and
 - NUMMI represents the single plant manufacturing Vibe for GMC.
- (5) The Parties agree that, each fall, they will decide the planned production volume of the Products at NUMMI for the subsequent three calendar years and that, each spring they will review and modify such planned production volume if appropriate. In the event that it is decided among the Parties that NUMMI's planned production volume of the Products is not 225,000 units, then that planned production volume will be allocated proportionately between TMC and GMC based on the allocation formula mentioned in paragraph (3) above. However, a final allocation plan will be established that is mutually agreeable to the Parties, consistent with the spirit of the Joint Venture.

2. Transfer Pricing of the Products

(1) NUMMI's Contribution Margin

The Parties recognize the importance of adequate contribution margin to support NUMMI's viability. The Parties agree to set the weighted average amount of NUMMI's initial contribution margin of the Products at \$2,368 per vehicle, based on the annual production volume of 225,000 units of the Products, and other assumptions mutually agreed among the Parties as of March 2006.

The Parties understand that NUMMI will make its best efforts to achieve the \$100 per vehicle uncommitted stretch target cost reduction (reflected in contribution margin of \$2,368 per vehicle), either prior to or after the SOP, based on initiatives not yet identified. The Parties will periodically review NUMMI's progress related to this cost reduction

stretch target and determine what additional steps, if any, are required among the Parties prior to the SOP. Any shortfall in NUMMI's cost reduction efforts, up to \$100 per vehicle, will be shared equally by GMC and TMC, following discussion and agreement by the Parties. It is recognized that after the SOP, reductions in domestic material and material related variable costs (i.e., the annual price review) for producing the Products will be retained by NUMMI in the form of increased contribution margin.

(2) Vibe Transfer Pricing

GMC and NUMMI agree that the initial transfer price of each trim level and each option for the 2009 Vibe shall be based on the annual production volume of 65,000 units of Vibe and the specifications as of March 2006, and are indicated in the schedule attached hereto.

If vehicle contents or available options of the Vibe are changed in the future, the Parties agree to discuss and agree upon the transfer price impact of such changes.

(3) Corolla Transfer Pricing

TMC and NUMMI agree that after adjusting for specification changes from Vibe they will determine the initial transfer prices of Corolla from NUMMI to TMC or its designated marketing unit so that the weighted average amount of NUMMI's contribution margin for Corolla shall not be less than that of Vibe.

3. Transfer Price Adjustment Mechanism

- (1) The Parties have agreed that the market basket formula as the annual adjustment method of transfer prices of Vibe for each model year remains suspended. The Parties understand that substantial changes in the market conditions make the market basket formula inconsistent with the continued viability of NUMMI and the profitability of the sales of the Products. Notwithstanding the forgoing, the Parties agree that they will, from time to time, discuss to adopt an annual adjustment method (including the market basket formula) to ensure the Parties can continue viable business.
- (2) TMC and NUMMI agree that the annual adjustment of transfer price of Corolla will be based on the result of Vibe's method.

4. Product Changes

It is understood that over the product lifecycle, product enhancements will be made. All changes of Vibe's specifications which are visible to the customer, and/or which affect vehicle performance in such a manner that would be apparent to the customer, must be discussed with estimated transfer price changes and agreed upon among the Parties prior to determination of implementation. Final transfer price will be negotiated prior to implementation.

5. GM Design Parts

There are several parts which GMC has been assigned engineering and design responsibility. The Parties agree that those particular parts will be out of scope of the royalty to TMC and that GMC, NUMMI and TMC will collectively identify and review its transfer price to GMC. TMC, NUMMI and GMC acknowledge that such agreement has been already reflected in the transfer price indicated in the schedule attached hereto.

6. Model Life of Vibe and Corolla

The Parties agree that the expected model life of Vibe and Corolla shall run from January 2008 through December 2012. The Parties agree that future consideration and discussion will take place regarding the potential for extending the model life of the Products beyond December 2012. Should the need arise to lengthen or shorten the expected model life, the Parties will discuss and determine countermeasures. Expected mid minor model change of Vibe will take place commencing with the 2011 model. As for additional minor model changes to the Products, if any, the timing of them may be made as separately agreed upon among the Parties.

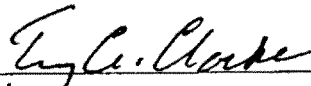
7. Annual Review

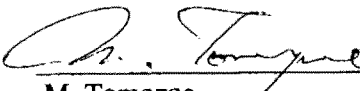
The Parties understand that changes in the market conditions for the Products might make the contents described in this Memorandum of Understanding inconsistent with the continued viability of NUMMI and the profitability on sales of the Products. Therefore, the Parties agree that they will annually review all the contents described herein to ensure that NUMMI will remain viable, and that the results from NUMMI's operations continue to be acceptable for TMC and GMC.

IN WITNESS WHEREOF, the Parties through their authorized representatives have executed this Memorandum of Understanding as of the date first above written.

General Motors Corporation

Toyota Motor Corporation

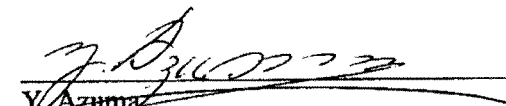

T. Clarke


M. Tomozoe

Date 3/28/06

Date 3-15-2006

New United Motor Manufacturing, Inc.


Y. Azuma

Date 3-17-06

A7E9A91	A7E9A91	A7E9A91
---------	---------	---------

<GT Contents>

215/45R18 Tire & 7.5 J Aluminium Wheel	515.00
Upscale Seat Surface Material with Leather Insert	240.00
Front Door Trim Synthetic Leather	12.00
Leather Shift Lever & Knob	40.00
Double Wishbone Rear Suspension	84.00
Exhaust Tail Pipe Diffuser	30.00
Colored Rear Spoiler	26.00
Colored Front Spoiler	33.00
Rear Bumper Lower Grille	22.00
Colored Rocker Molding	30.00
(A/T ONLY) SW Tronix (=Sequential)	39.00